

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

Securities and Exchange
Commission,

Plaintiff,

-against-

George Wallace Stewart, et al.,

Defendants.

98-CV-02636 (LAP)

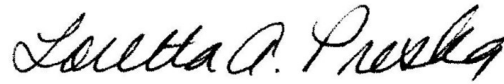
ORDER

LORETTA A. PRESKA, Senior United States District Judge:

The Court is aware of the Court of Appeals' holding in Sec. Exch. Comm'n v. Ahmed, 72 F.4th 379 (2d Cir. 2023), which states that "[i]f the district court finds that an asset is nominally owned by one of the Relief Defendants (and actually owned by [Defendant]), it may be disgorged." Ahmed, 72 F.4th at 410. The Court of Appeals explained that "the district court erroneously shifted the burden to the Relief Defendants to present evidence that they were the true owners of these assets. But the burden remained with the SEC to prove that [Defendant] was the true owner of each asset . . . , and the district court should have made specific findings accordingly." Id. The parties shall come to the evidentiary hearing on February 10, 2025, prepared to discuss the impact of this holding on the Court's Opinion dated February 7, 2023 (dkt. no. 433.).

SO ORDERED.

Dated: New York, New York
February 8, 2025

A handwritten signature in black ink, reading "Loretta A. Preska". The signature is written in a cursive, flowing style.

LORETTA A. PRESKA
United States District Judge